A CME Lesson in Life

By Dr Lee Pheng Soon, SMA President

As a result of the CPF Board's privatisation of the DPS scheme, we may be approached by patients for advice on filling up the necessary forms as they sign up. Please read the following CME article carefully. It applies to applications for any insurance policy that involves self-declaration of current illnesses, whether by doctor or patient.

About 6 years ago, a new patient came into our HDB clinic, and was found coincidentally to have raised blood pressure. He attributed this to the recent increase in job stress as a junior technician, because it had never been raised before. However, as it was 170/100, and though we argued a little about how much work stress might have contributed, he agreed to start on 50 mg atenolol a day and to return for review a month later.

We did not see him for more than 6 months. During that time, he had sought advice from a traditional physician who had disputed the diagnosis, and was prescribed herbal medicine. He also got married, bought a small HDB flat, and signed up for a very modest insurance-linked investment.

We saw him several times after that, but it was only 3 years after the first diagnosis that he finally accepted that traditional medicine was not working, and took the medicine we dispensed regularly. The BM dropped to normal, and remained so. By that time, he and 3 generations of his family had become our regular patients.

Four months ago, his wife came to visit. Our patient had just passed away in hospital from acute pyelonephritis. This, as the doctor in hospital had explained to her, is an acute unforeseeable infection quite unrelated to his prior hypertension. But her problems had only just begun.

The insurance company told her that because her husband had not declared an existing illness when he bought the policy, her claim was invalid – but they would refund the premiums paid so far. We helped her write a letter of appeal, based on the fact that the cause of death was totally unrelated to undeclared hypertension. After several emails back and forth, we got an email a month later saying:

"For your information, in any insurance application form, the following clause is highlighted to all applicants, that is, 'Pursuant to section 25(5) of the Insurance Act, you are to disclose fully in this form all the facts which you know or ought to know, otherwise the policy issued may be void.'"

"Nevertheless, specifically in this case, we are pleased to inform that the company, as a gesture of goodwill and on ex-gratia basis, had paid the death claim without admitting any liability to the claimant on 17 June 2005."

In other words, compassion won over rules.

Keeping her HDB flat was another matter altogether. The lady quietly told me that when the flat was first bought, the HDB officer had signed both husband and wife up for the Home Protection Scheme (HPS) and another insurance plan. In essence, these would have insured each person against the financial consequences of the untimely demise of the other. She tells us that the HDB agent had advised them that as the husband's hypertension was newly diagnosed, was not causing problems, and was, at that time, not being treated with medicine, it did not need to be declared on the application. (My friends tell me that this advice is still very commonly given by insurance agents trying to sell a policy "with minimal fuss".) With dignity, the widow reemphasised that she had not tried to conceal anything from the CPF Board, but simply followed the suggestion of somebody who to her, was acting as an agent for that scheme. She pointed out to me that there really was neither reason nor benefit, to have concealed a diagnosis of mild hypertension from the CPF Board. She had done so on the advice of a person who appeared to her to be in a position of authority.

For general interest of its members, the SMA Secretariat then asked the CPF Board the following:

"If a person takes out HPS cover, but fails to declare existing hypertension in the process, will the CPF Board declare this cover void (because of the undeclared hypertension), should he pass away from an acute illness unrelated to hypertension?"

The reply from the CPF Board was:

"The eligibility of the insurance cover is based on the applicant's health condition at

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inception. Any misrepresentation or concealment of any material information shall render the Home Protection Scheme cover null and void and claims will not be admitted."

And thus it was with my patient.

When I last saw the widow a week ago, she was still unable to stretch her (smaller) salary to cover the shortfall from the family losing more than half of their household income, and her late husband's CPF contribution from his employer. She was starting to mentally prepare her children to move out of their home to a rented HDB flat, because selling her current flat in this property price downturn would not leave her enough to "downgrade" to a smaller unit, after paying off her current loans.

What has this sorry episode taught me?

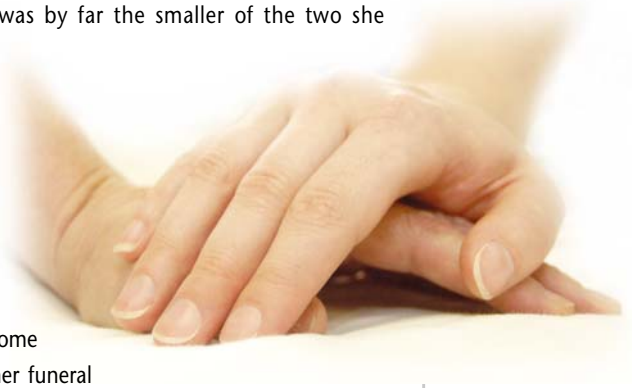
1) When taking up an insurance policy, it is critical to declare every illness, even those that are not yet confirmed diagnoses, so long as there is a medical record somewhere. Some diagnoses may unexpectedly contribute to the event being covered (for example, an early cataract may arguably be seen later to contribute to a road-traffic accident). Others may be the first signs of illnesses only later confirmed definitively – but not notified at the time of purchase of policy. Hyperacidity or even a single raised fasting blood glucose may years later, eventually turn out to have been the start of peptic ulcer disease or diabetes, as menorrhagia may be the first sign of uterine malignancy. Theoretically, "undeclared PUD" or "undeclared DM" could still invalidate my insurance policy decades later, when I pass away with something totally unrelated. I urge those of us who might currently have pre-disease that we had overlooked in declaring, whether because of advice from an insurance agent or from pure oversight, to consider speaking directly to the insurance company about including them post hoc. But think first, because I cannot guarantee you will not be opening up a can of worms at the same time.

2) Equally importantly, when an insurance company requests from me a medical report after the death of my patient, I will now think extremely carefully before including comments not relevant to the cause of death. For example, if the COD was fulminant hepatitis, should I mention that the patient had been followed up for borderline hypertension, or pre-diabetes, or even insomnia and stress, especially if these had not required medication for control? In theory, the presence of any of these at the time the policy was bought, could be enough reason to declare the policy invalid.

3) When conducting pre-insurance physical examinations, I now explicitly advise all patients to declare everything for the record, regardless of how minor or irrelevant it would seem to be at that time. Sadly, others who buy policies that require only self-declaration will not see me and will thus not have the benefit of this advice. Similarly, I cannot help it if their insurance agents offer different advice at this stage.

What positive lessons have I learned from this sad episode? First, it was very enlightening that a letter of appeal for reconsideration from a widow's GP, could make a difference to an insurance company. Clearly, not all insurance companies would behave in such a compassionate manner, and it was really a pleasant shock. On the other hand, was I surprised at the answer SMA got from the CPF Board? Let us just say it was, to me, the differences in answers from these two bodies that was an education.

As doctors, we learn about better management of illnesses during our CME sessions. This year, as we celebrate 100 years of medical education in Singapore, we often remark how the facilities and knowledge to manage disease have improved over time. Let us not confine everything we do for our patients, to what we can do about their disease. I was really touched when after telling me that she would now have to sell her flat, the widow, eyes red, thanked me for helping put her case forward to the insurance company. Though the insurance payout was by far the smaller of the two she had relied on to support her family in the event of her husband's death, and though it was far too small to save her home without the HPS kicking in, it went some way to help with her funeral and later, daily expenses. She would now, she said, try once again to get her MP to speak to the CPF Board. Her husband had worked hard and saved, to try to have a home to bring up their children. She would try once more to see if his wishes could be honoured.



I must confess that it was a little while before I could see the next patient. ■

Note:

Some aspects of the above events have been changed to ensure patient anonymity.